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STATE FOR U/S JOSEPH, ISN, NEA/ARP NSC FOR DSTEPHENS

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TAGS: TBIO ETTC SENV TNGD TSPL AE EINV

SUBJECT: DUBAI ESTABLISHES BIOTECHNOLOGY FREE ZONE

CLASSIFIED BY: Jillian L. Burns, Acting Consul General, Dubai, UAE.

REASON: 1.4 (e)

- 1.(SBU) Summary: Dubai Biotechnology and Research Park (DuBiotech) is a free zone focused on biotechnology research and development, rather than manufacturing. The Director of Business Development told PolEconoffs it will be subject to UAE laws and regulations, and the UAE Ministry of Health and Dubai's Department of Health and Medical Services will also have regulatory oversight. The free zone's headquarters building, university/library and community laboratories are scheduled to open in 2008. End Summary.
- 2.(SBU) On June 12, PolEconoffs visited the temporary headquarters of Dubai Biotechnology and Research Park (DuBiotech) at Dubai Media City and spoke with Yahya Al Ansari, Director of Business Development. Ansari said DuBiotech's free zone will be subject to UAE laws and regulations, like any free zone in Dubai. Additionally, the UAE Ministry of Health and Dubai's Department of Health and Medical Services have regulatory oversight. DuBiotech is working with RTI International to establish a regulatory framework based on international standards that applies specifically to health and safety, environmental management and laboratory operations. RTI International is a non-profit scientific research and development corporation headquartered in North Carolina.
- 3.(SBU) Ansari claimed DuBiotech's focus will be biotechnology research and development. The complex will house laboratory space which can be rented, a university/library building, retail and commercial spaces, and offer long term (30-50 year) land leases for entities to establish their own buildings. Single offices and "hot desks" -- with their own PO Boxes designed for independent researchers or businesses that want a small regional presence -- are also available. Industrial areas for businesses to manufacture pharmaceuticals or medical equipment at DuBiotech for export are planned, but Ansari pointed out these manufacturers could just as easily operate at a well established free zone such as the Jebel Ali Free Zone. For this reason, Ansari envisions DuBiotech's niche as research and development. Ansari believes companies will come to Dubiotech because of its world-class infrastructure, collaborative and university-like atmosphere, as well as the opportunity Middle East expansion presents. He said UAE government researchers -- through the Foundation for Research and Innovation -- will also be located at DuBiotech and initial work will be on issues of particular concern to Arabs, such as thalassemia, a genetic blood disorder

endemic in all Arab countries.

- 4.(SBU) Ansari told PolEconoffs eleven companies are already working at temporary offices in Dubai Media City and most of them are planning the construction of their own buildings at DuBiotech. Ansari said ten more businesses are in various stages of application processing. DuBiotech is also courting US and Canadian universities -- names of which he would not share -- as partners. DuBiotech broke ground in June on its future site near DubaiLand and Emirates Road 311. Ansari said the headquarters building, university/library and laboratory spaces are scheduled to open in 2008. PolEconoffs drove past the site and witnessed three bulldozers -- only one in operation -- in a vast, largely undisturbed, camel pasture.
- 5.(C) Comment: As DuBiotech develops into a fully-operational free zone, it will require careful scrutiny to prevent abuse in three particular areas of concern. First, ensuring that proliferators do not use the research facilities to develop WMD. Second, preventing the diversion of controlled technology and equipment. Depending on the due diligence and oversight provided by DuBiotech, "hot desks" in particular could function as inexpensive cut-outs for proliferators to move technology. Third, ensuring that DuBiotech does not become a platform for counterfeiting or other forms of IPR violations.

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